VZCZCXRO5996 OO RUEHBC RUEHCN RUEHGH RUEHKUK RUEHTRO DE RUEHBJ #0293/01 0351122 ZNY CCCCC ZZH O 041122Z FEB 10 FM AMEMBASSY BEIJING TO RUEHC/SECSTATE WASHDC IMMEDIATE 7925 INFO RUEHOO/CHINA POSTS COLLECTIVE PRIORITY RUCNIRA/IRAN COLLECTIVE PRIORITY RUEHBR/AMEMBASSY BRASILIA PRIORITY 0007 RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 BEIJING 000293

SIPDIS

E.O. 12958: DECL: 02/04/2035

TAGS: <u>PREL PARM ENRG PTER MNUC IR CH BR</u> SUBJECT: PRC/IRAN: BEIJING CONTINUES TO CALL FOR PATIENCE

REF: A. BEIJING 269 <u>¶</u>B. BEIJING 209 ¶C. BEIJING 145

Classified By: Political Minister Counselor Aubrey Carlson. Reasons 1.4 (b/d).

- 11. (C) SUMMARY: The PRC counsels continued patience on the Iran nuclear issue because it seeks a "thorough solution" to the problem, and it supports the removal of all 1200kg of low-enriched uranium from Iranian soil, according to an MFA contact. PRC officials have urged Iranian counterparts in recent months to accept the Tehran Research Reactor (TRR) proposal and other P5-plus-1 overtures, and the Iranians have indicated interest in re-opening discussion of the details of these agreements, according to the MFA. New sanctions, however, would have a negative effect on Iranian cooperation with the international community, our contact claimed. He suggested that internal political pressure on Iranian President Ahmadinejad increases the incentive for returning to negotiations, and claimed that Ahmadinejad still enjoys the full support of Supreme Leader Khamenei. He acknowledged that China is receiving expressions of concern on the nuclear issue from Middle Eastern diplomats, but a contact at the Israeli Embassy claimed that Beijing was entirely dismissive of these concerns. END SUMMARY.
- $\underline{\P}2$. (C) In recent MFA press conferences, PRC officials have expressed China's opposition at present to new sanctions to deal with the Iranian nuclear issue, calling instead for "flexibility and a pragmatic approach" from the international community (reftels). PolOff met with MFA West Asian Affairs Department Iran Division Deputy Director Ni Ruchi February 3 to discuss the issue.

PRC Seeks Continued Patience and "Thorough Solution"

13. (C) Clarifying these calls for flexibility, Ni said that a single year of the new approach from the Obama administration was not enough time to overcome 30 years of enmity between the U.S. and Iran. He stressed the importance of slowly building mutual trust, and estimated that another 6-12 months would be needed to bring the Iranians around to agreeing to take concrete steps on the nuclear program. He said that the PRC sought a "thorough solution" to the nuclear issue through improving mutual trust between Iran and the United States and Europe, and called the U.S.-Iran relationship the "major obstacle" in this process.

PRC: Sanctions Risk Increasing Iranian Defiance

14. (C) Ni claimed that based on his conversations with Iranian officials, he thought Tehran would not likely yield in the face of tougher sanctions from the P5-plus-1, but would instead react negatively by curbing cooperation with the international community. He acknowledged that some

pressure was needed to make the choice clear for Iran, but had no suggestions to offer on what kind of pressure the PRC could support in lieu of multilateral economic sanctions. PolOff stressed the importance of fully using the dual-track approach, including increasing pressure through meaningful UN Security Council action, in order to persuade Iran to take the path of engagement with the international community.

PRC Pushing Iran to Allow Uranium to Go Abroad

15. (C) Ni argued that PRC efforts to keep the Iranians engaged with the P5-plus-1 had been intense in recent months. He claimed that in addition to then-AFM (now-VFM) Zhai Jun's visit to Tehran in November, MFA West Asian and African Affairs Department Director General Song Aiguo had met with his counterparts in Tehran the week of January 25 to urge flexibility on the nuclear issue and a return to negotiations with the P5-plus-1. He said the Iranians told the PRC delegations that they had not fully rejected negotiations with the P5-plus-1 and were willing to discuss ideas for processing LEU currently in Iran outside the country.

PRC: Uranium Could Leave Iran in Tranches

16. (C) According to Ni, the Iranians said that parameters for discussion on uranium processing could include timing, location, and moving the uranium out in tranches. The PRC had noted the proposal from Turkey that addressed these concerns, Ni added, and the Iranians had told their Chinese counterparts that they were willing to accept the Turkish

BEIJING 00000293 002 OF 002

plan. Ni claimed that for China, removing the 1200kg of uranium from Iran for processing abroad remained the goal of their engagement. He suggested the P5-plus-1 discuss with the Iranians the details of uranium removal. He cautioned that Iran would not entirely capitulate to U.S. and European demands, but a compromise might be obtainable. Ni pointed to comments made by President Ahmadinejad on Iranian television February 2 indicating that he was not opposed to processing Iranian uranium abroad in tranches. Ni suggested offering a plan under which the Iranian uranium was exported in three batches of 400kg each, while reiterating that removing all 1200kg from Iran remained China's goal. PolOff stressed that the TRR proposal presented to Iran accommodated Iranian concerns, demonstrated flexibility, and gave Iran an opportunity to show its peaceful intentions, and that the terms Iran was floating would delay the transfer of LEU out of Iran and not increase the confidence of the international community.

Internal Pressure is Incentive for Negotiation

17. (C) Ni said that China assessed that Ahmadinejad remained under significant political pressure stemming from the June 2009 election and subsequent unrest. The political situation remained complex, he added, but the state so far was still able to keep the opposition movement fully under control. He surmised that opposition activities would continue in the coming months and suggested that such activities increased Ahmadinejad's incentive to negotiate on the nuclear issue, because decreasing pressure on the nuclear issue would allow Ahmadinejad to focus on strengthening his position internally. Ni assessed that Ahmadinejad continued to enjoy full support from Supreme Leader Khamenei.

Little Urgency over Regional Dimension

18. (C) Israel, Saudi Arabia and other regional actors had expressed serious concern to the PRC over the Iranian nuclear program and its implications for regional security, Ni reported. Without acknowledging the legitimacy of these

arguments, Ni said that the PRC had stressed to these interlocutors the importance of increased transparency from the Iranians to make clear their intentions in developing nuclear technology. He noted that Iran's cooperation with the IAEA had been "generally good," but was unsatisfactory in some areas, and Beijing had told the Iranians that they should discuss these areas with the P5-plus-1. Ni argued that if Iran were interested in weaponizing its nuclear technology, it would do so in secret, but the fact that the regime made a public display of its progress in the nuclear field argued for its peaceful nature.

Israeli Contact: PRC Dismissing Concerns from the Region

19. (C) Israeli EmbOff Guy Kivetz told PolOff February 2 that his Embassy had regularly over the last year articulated to PRC interlocutors Israeli concerns over the Iranian nuclear program and its profound implications for security in the Middle East. He said that PRC interlocutors had never acknowledged the validity of this line of argument, but in recent months had become entirely dismissive of the argument. He said that PRC officials were convinced that Israel was overstating the level of concern over the issue and internally the PRC was rejecting the conclusions of intelligence provided by Israel and other countries about Iran's technical progress on the nuclear program. He said that PRC policy-makers were convinced that no country, including Israel, was in a position to respond with force to Iran's development of nuclear technology and had likely concluded that the development by Iran of nuclear weapons was acceptable.

Chinese Outreach to Brazil

110. (C) Brazilian Embassy Second Secretary Henri Carrieres told PolOff February 4 that PRC officials had met with Brazilian counterparts in recent weeks to articulate strong PRC opposition to additional sanctions at this time, including during a visit to China of Deputy Foreign Minister Roberto Jaguaribe February 2. Carrieres declined to detail whether China directly sought support in the UNSC from Brazil, currently a non-permanent member, to prevent a sanctions resolution from succeeding.

HUNTSMAN